

Members

Rep. William Crawford, Chairperson
Rep. Mary Kay Budak
Sen. Teresa Lubbers
Sen. Rose Antich
Ellen Clippinger
Cheryl A. Seelig
Sven Schumacher
Kimberly Tracy Armstrong
Donald Amos
Nathan Samuel
Marsha Hearn-Lindsey
Barb Schuck
Carol Johnson
Sharon Pierce



BOARD FOR THE COORDINATION OF CHILD CARE REGULATION

Legislative Services Agency
200 West Washington Street, Suite 301
Indianapolis, Indiana 46204-2789
Tel: (317) 232-9588 Fax: (317) 232-2554

LSA Staff:

Susan Cullen, Attorney for the Board
Ron Sobecki, Fiscal Analyst for the Board

Authority: IC 12-17.2-3.1

MEETING MINUTES¹

Meeting Date: September 14, 1999
Meeting Time: 10:30 A.M.
Meeting Place: State House, 200 W. Washington
St., Room 156B
Meeting City: Indianapolis, Indiana
Meeting Number: 2

Members Present: Rep. William Crawford, Chairperson; Rep. Mary Kay Budak; Sen. Teresa Lubbers; Sen. Rose Antich; Sven Schumacher; Kimberly Tracy Armstrong; Donald Amos; Nathan Samuel; Marsha Hearn-Lindsey; Barb Schuck; Carol Johnson.

Members Absent: Ellen Clippinger; Cheryl A. Seelig; Sharon Pierce.

1. Call to Order

Representative Crawford, Chairperson, called the meeting to order at approximately 10:35 a.m. Representative Crawford commented that he would like the Board to decide collectively what issues are most important and need to be discussed prior to November 1, 1999, at which time the final report must be turned in. He asked if anyone on the Board had any issues they felt should be discussed. No Board members had suggestions beyond

¹ Exhibits and other materials referenced in these minutes can be inspected and copied in the Legislative Information Center in Room 230 of the State House in Indianapolis, Indiana. Requests for copies may be mailed to the Legislative Information Center, Legislative Services Agency, 200 West Washington Street, Indianapolis, IN 46204-2789. A fee of \$0.15 per page and mailing costs will be charged for copies. These minutes are also available on the Internet at the General Assembly homepage. The URL address of the General Assembly homepage is <http://www.ai.org/legislative/>. No fee is charged for viewing, downloading, or printing minutes from the Internet.

the issues brought up at the first Board meeting. Representative Crawford asked whether FSSA was planning on discussing therapeutic care at today's meeting and Ms. Polite said FSSA would be prepared to discuss it at the next meeting. Representative Crawford mentioned that he had talked to Ms. Kathryn Azhar about before and after school child care licensing and suggested that the Board briefly discuss this issue later in the meeting.

Carol Johnson stressed that one issue the Board needs to look at is minimum standards for all providers in order to ensure high quality and safe child care. Representative Crawford reminded the Board that the final report will need to be filed by November 1, 1999, and for that reason the Board will need to discuss the issues it deems most important by October 31, 1999.

II. Expert Testimony

A. *Ms. Lauren Polite, Legislative Liaison, Family and Social Services Administration (FSSA)*, started by clarifying a point from her testimony at the last Board meeting (August 31, 1999). She said that when she stated that there are an "adequate number of providers" in Indiana, she was referring to the number of providers for persons with vouchers. Ms. Polite then reported the following:

- ☐ Approximately 70% of children under the age of six (approximately 343,836 children) are in families where "all" parents are working and are in need of child care.
- ☐ As of July 31, 1999, there were 671 licensed centers and 3,298 licensed homes in Indiana which have the capacity to serve 97,816 children.
- ☐ Just over 28% of children of working families in Indiana have access to licensed child care.
- ☐ Access to licensed care varies by county and by age of the child.
- ☐ 11 counties do not have any licensed child care centers and over two-thirds of the counties have 3 or fewer licensed child care centers.
- ☐ 17 counties have fewer than 10 licensed homes.
- ☐ In 36 counties less than 20% of the estimated need is met by licensed care.
- ☐ A number of sources of information show that there is a need to increase the capacity for quality child care, especially for infants and for second/third shift care.
- ☐ One of Indiana's primary goals is to allow parents to access a greater quality of care and also allow parents to chose the type of care they prefer.
- ☐ In 1998: 641 licensed homes closed, 97% of which closed voluntarily; 19 licenses were revoked; and 732 new homes opened.
- ☐ In 1999: 521 licensed homes have already closed.
- ☐ Generally, licensed child care homes close voluntarily.
- ☐ FSSA is currently setting up an internal needs assessment process with regard to CAP loans that would require a business plan to be in place prior to a CAP loan being given.

Ms. Polite submitted a number of handouts which describe her testimony more fully and also provide additional information (exhibit # 1).

B. *Carole Stein, Manager Child Care Quality and Access, FSSA*, reported the following:

- ☐ Child care is an important issue for not only employees, but also employers.
- ☐ Licensing is a key mechanism for determining the safety and quality of child care.
- ☐ There has been an increase in the number of licensed child care facilities opening in Indiana. Those facilities include: 12 corporate backed facilities;

- 13 facilities managed and operated by hospitals; and 12 facilities on university campuses.
- ❑ FSSA is using various methods to make the business community more aware of child care issues.
- ❑ TEACH (Teacher Education And Compensation Helps) is a project designed to help providers improve child care in Indiana. The Governor launched the first scholarship under this project in June of this year.

Ms. Stein provided the following handout which describes her testimony in more detail: Evaluation of the Indiana Child Care Financing Initiative (exhibit # 2).

C. Lauralee Martin, Deputy Director Division of Family and Children, Bureau of Child Development, reported the following in response to questions asked by the Board members at the August 31, 1999 meeting:

- ❑ Issues involving the zoning of child care facilities have not been a persistent problem in Indiana. FSSA knows of only 3 occurrences where there was a problem.
- ❑ Child care is marketed through the Seek and Demand campaign which is aimed at all parents throughout the state.
- ❑ Subsidy marketing is the responsibility of local Step Ahead programs.
- ❑ The CCDF policies and procedures manual is given to all counties, and the policies and procedures are mandatory for all counties.
- ❑ Numerous factors exist for the variation in waiting list numbers reported by FSSA for Lake and Marion counties (It was reported that the CCDF program waiting list statistic for Marion County was 5780 persons and the Lake County statistic was 13 persons). Those factors include:
 1. Marion County is basically one major city; Lake County is essentially 16 different cities and towns.
 2. Unemployment rate is 2.8% in Marion County; it is 4.1% in Lake County.
 3. The median income (1995 statistics) for Marion County was \$33,600 whereas Lake County's median income was \$35,200, therefore, a greater number of people were not eligible for vouchers in Lake County.
 4. Lack of public transportation in Lake County affects word-of-mouth, which is an important factor in people finding out about child care providers.
- ❑ The purpose of child care vouchers is to make child care affordable for people who can demonstrate a need for assistance.

Ms. Martin submitted a number of handouts which describe her testimony more fully and also provide additional information (exhibit #3).

Questions from the Board

Marsha Hearn-Lindsey asked Ms. Polite to restate the 1998 and 1999 statistics on the number of new child care homes in Indiana and the number that are no longer in business and also how long the homes were in business before they closed. Ms. Polite said that 641 licensed homes closed in 1998 and 521 licensed homes have already closed in 1999. She was unable to answer how long they were in business because FSSA would need more data to answer that question. Representative Budak asked why the homes closed and Ms. Polite said that there are no specifics on why because providers are not required to report the reason to FSSA. She said the closings did appear to be voluntary.

Ms. Carol Johnson noted that in Delaware County many people are choosing kinship care over licensed child care providers because when parents receive a voucher they are not required to go to a licensed provider. She stated that the more voucher money that is available, the more licensed child care suffers in her county. Representative Crawford asked FSSA whether the state can develop a policy to address this issue or if it is a federal issue. Ms. Martin said that CCDF is driven by federal regulation but individual states do have options for those who accept subsidies.

Senator Lubbers wanted clarification from Ms. Johnson on whether anyone can in fact be given a voucher and in return provide child care. Ms. Johnson responded that in Delaware County, even live-in boyfriends could be given the voucher which creates a concern for the safety of the children. Senator Lubbers remarked that this may be the case in some places, but families should still be able to choose kinship care rather than being forced to go to a licensed child care provider.

Senator Lubbers voiced concern on the statistics being provided by FSSA. She made specific mention of the statistic that "approximately 70% or 343,836 children under the age of six are in families where "all" parents are working and therefore, are in need of child care" (see handout in exhibit 1). She said that this is not necessarily true in Indiana because that number is based on a national average. She stated that this is not the fault of FSSA, but rather is an example of why there needs to be a statewide assessment. She also noted that infant care, or care for children under the age of 1 year, is very important, but that it should not be encouraged because in identifying the need for child care, this is not necessarily what people are looking for. She said that the information provided by FSSA is probably correct for the most part, but the numbers may not be accurate. In response Representative Crawford stressed that a method for the completion of a statewide needs assessment is part of the charge to the Board, and in order to comply with that charge, the Board must receive accurate numbers from FSSA. He requested that in the future FSSA identify which statistics are nationwide and which are specific to Indiana.

After Ms. Martin's testimony, Ms. Johnson again brought up the fact that in Delaware County many voucher recipients are taking their vouchers to license-exempt facilities and stressed that minimum standards should be enforced for all providers in order to protect children. Representative Budak questioned Ms. Martin on whether something can be done in response to Ms. Johnson's concerns and Ms. Martin said FSSA is looking into minimum standard requirements for license-exempt providers.

Representative Crawford told the Board that he had spoken to Ms. Kathryn Azhar and that she had some concerns involving before and after school child care programs. She is concerned that the providers being contracted with through the schools are not required to be licensed. Representative Crawford asked Ms. Polite how many schools are currently participating in this type of situation. Ms. Polite stated that all schools must provide before and after school child care, but that some schools request waivers. About 25 to 30 out of 294 schools seek waivers each year. She said FSSA does not have the authority to license these contracted providers. It was suggested that someone at the Department of Education be contacted because they would have more information in this area.

Ms. Kimberly Tracy Armstrong stated that the school personnel are generally the only persons checking on contracted child care providers. She asked Ms. Polite if vouchers can be used at a before and after school child care program and Ms. Polite said that they could be. Representative Budak asked Ms. Armstrong her opinion on whether before and after school child care programs take business away from other child care providers. In response, Ms. Armstrong stated that there is a need for school age care in Indiana. From

her own experience in Hendricks County, she did not feel there was competition because licensed child care providers are limited as to the number of school age children they can have. She said it is better that the school age kids remain in a setting with other children that are around the same age. She stated that a more important issue is holding the schools to minimum standard requirements. In response, Representative Budak commented that safety may be an issue in these situations. Ms. Lindsey said that there is not a level playing field if the contracted providers are not required to be licensed. Licensed providers have more requirements to meet in order to receive vouchers and, in turn, the licensed providers are suffering. Representative Crawford said that this issue should be looked into so that the Board can get an accurate reflection of child care in Indiana.

III. Public Testimony

A. *Karen Hublar, Community Coordinated Child Care, Parent Services Director*, testified that in Floyd County the concern is that there is a shortage of licensed child care facilities and that she would like to see an expansion of child care facilities in that area. She also said there is a demand for infant child care as well as non-traditional child care for parents who work second and third shifts. She stated that for this type of care, homes can usually be more flexible. She also said that FSSA has been very helpful in her county recently in dealing with the death of child that occurred while the child was in day care. Representative Budak asked how people in her county were finding out about the different licensed child care providers. Ms. Hublar said that her office provides people with literature on licensed child care and that the local Step Ahead program has helped as well. Nathan Samuel added that Ms. Hublar is from his area and that her office has also placed a great deal of information in local newspapers and on billboards in the community.

B. *Marsha Thompson, Indiana Association for Child Care Resource and Referral, Executive Director*, testified that Resource and Referral, at both the local and state level, is very involved in the Seek and Demand campaign. She also said that Resource and Referral tries to improve child care quality through orientation training for providers. Its training focuses on, among other things, child care rules and regulations and the basics of licensing. The orientation training programs occur once a month in every county. Representative Budak suggested to Ms. Thompson that Resource and Referral invite legislators to attend the orientation programs in their respective counties.

Representative Crawford remarked that as a member of the National Conference of State Legislatures (NCSL) he serves on the Children, Family and Health Committee. He said that years ago there was much discussion about child care, particularly quality and safety. He commented that even though it has apparently been an important issue, he has never been lobbied by constituents on child care issues. He questioned why no one from the public is lobbying the legislators, and also asked FSSA how other states address some of the issues that were discussed during the meeting. Jim Hmurovich from FSSA stated that he has seen documents on quality initiatives from other states and that he will try to get those for the Board.

IV. Board Discussion

It was decided that the next Board meeting will be held on September 28, 1999, at 10:30 a.m. The meeting adjourned at approximately 12:00 p.m.